GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:355
ANSWERED ON:02.03.2005
CAPITAL SUBSIDY SCHEME
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Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a): whether the Government has raised the ceiling for loans under `capital subsidy scheme` from Rs. 40 lakh to 1 crore, as announced in the Union Budget 2004-05;

(b): whether the rate of subsidy under the scheme has also been raised from 12 to 15 per cent;

(c): whether scope of the scheme has also been enlarged by adding more sub-sectors and technologies;

(d): if so, the details of the sub-sectors and technologies added under the scheme; and

(e): the total amount sanctioned and spent under the scheme?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a)&(b): The increase in the rate of subsidy and the ceiling of loans under the `Credit Linked Capital Subsidy Scheme` announced in the Union Budget, 2004-05 is part of a promotional package for the Small Scale Industries (SSI), which is in the final stages of formulation.

(c)&(d): Fourteen new sub-sectors/products and related technologies have been included as being eligible for assistance under this scheme. A list of these 14 sub-sectors/products is enclosed at Annexure.

(e): According to report received from the Small Industry Development Bank of India, which is the nodal agency for implementing the Scheme at the national level, a sum of Rs. 14.3 crore has been sanctioned and spent till 31 January, 2005 towards disbursement of subsidy to 560 SSI units.